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TO: **Income Maintenance Supervisors**  
**Income Maintenance Lead Workers**  
**Income Maintenance Workers**  
**Training Staff**  
**Child Care Coordinators**  
**W-2 Agencies**  
**Workforce Development Boards**  
**Job Center Leads and Managers**

FROM: Amy Mendel-Clemens  
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**BEM/DWS OPERATIONS MEMO**

No: 06-09

DATE: 02/06/2006

FS	<input type="checkbox"/>	MA	<input type="checkbox"/>	SC	<input type="checkbox"/>
CTS	<input type="checkbox"/>	CC	<input checked="" type="checkbox"/>	W-2	<input checked="" type="checkbox"/>
FSET	<input type="checkbox"/>	EA	<input type="checkbox"/>	CF	<input type="checkbox"/>
JAL	<input checked="" type="checkbox"/>	JC	<input type="checkbox"/>	RAP	<input type="checkbox"/>
WIA	<input type="checkbox"/>	Other	EP	<input type="checkbox"/>	★

PRIORITY: HIGH

SUBJECT: **Federal Poverty Level Changes For Wisconsin Works (W-2) And Wisconsin Child Care Subsidy Programs**

**CROSS REFERENCE:** Child Care Manual  
W-2 Manual, Chapter 3  
[DHHS Poverty Guidelines for 2006](#)

**EFFECTIVE DATE:** February 1, 2006

**PURPOSE**

This memo:

1. Alerts you to changes in the 2006 Federal Poverty Level (FPL) that impact financial eligibility for Wisconsin Works (W-2) employment positions, certain W-2 case management services, Job Access Loans, and Wisconsin Shares (Child Care subsidy program).
2. Provides information on the impact on the Child Care subsidy for applicants and recipients.
3. Includes the revised 2006 FPL table.

## **BACKGROUND**

Each year the federal government adjusts Federal Poverty Levels (FPL). As a result of the annual FPL changes, income limits used for W-2 employment positions, certain W-2 case management services, Job Access Loans, Child Care eligibility and the income ranges that are used to determine the family co-payment for Child Care authorizations change.

## **POLICY**

Following is the 2006 FPL table for use in the W-2 and Child Care programs:

**2006 Federal Poverty Levels**

Group Size	Annual Amount	Monthly 100% FPL	Monthly 115%FPL	Monthly 200%FPL	Group Size	Annual Amount	Monthly 100% FPL	Monthly 115%FPL	Monthly 200%FPL
1	\$9,800	\$817	\$939	\$1,633	6	\$26,800	\$2,233	\$2,568	\$4,467
2	\$13,200	\$1,100	\$1,265	\$2,200	7	\$30,200	\$2,517	2,894	\$5,033
3	\$16,600	\$1,383	\$1,591	\$2,767	8	\$33,600	\$2,800	\$3,220	\$5,600
4	\$20,000	\$1,667	\$1,917	\$3,333	9	\$37,000	\$3,083	\$3,546	\$6,167
5	\$23,400	\$1,950	\$2,243	\$3,900	10	\$40,400	\$3,367	\$3,872	\$6,733
					Each Added Person	\$3,400	\$283	\$326	\$567

## WISCONSIN WORKS

The effective date for the new income limits for W-2 and Job Access Loans (115% FPL) is February 1, 2006. A CARES mass change for W-2 eligibility is scheduled for February 11, 2006.

## CHILD CARE

The new 2006 Child Care Co-Pay Schedule for Licensed and Certified Child Care can be found at: <http://www.dwd.state.wi.us/dws/programs/childcare/wishares/default.htm>

The effective date of the new income limits established in this memo for all new child care subsidy applicants is February 1, 2006.

A CARES annual mass change for child care eligibility is scheduled for February 11, 2006. Applications entered in CARES after the February 11, 2006, CARES mass change should use these new FPL income limits in CARES table TCCS for February 1, 2006. All ongoing child care cases, including those that are closing February 28, 2006, in the CARES system, will be run in the annual mass change for eligibility on February 11, 2006. All child care cases will have their income updated to a new 2006 FPL percentage. Cases that are closing February

28, 2006, for excess income may remain eligible for child care as a result of the 2006 FPL changes.

Child care authorizations will also go through a mass change scheduled for the weekend of February 18, 2006, that will recalculate all authorizations using the 2006 family co-pay and the 2006 maximum rates. The family co-pay values will come from the new income ranges displayed in table TCFP and the new co-pays displayed in table TCCP. The maximum rates values will come from the table TCMR. The new authorization rates will be effective February 26, 2006.

### CHILD CARE AUTHORIZATIONS

All current and future authorizations that are entered in the child care payment system as of February 18, 2006, will be included in the child care authorization mass change. All authorizations that span the date of February 26th will be recalculated. If the authorization rate has changed, the new authorization rate effective date will be February 26, 2006. If family income has not changed since the current authorizations were created, the new increased FPL income ranges may decrease the family co-pay or not change the family co-pay at all. The authorization amount may change due to the new family co-pay levels and/or the new maximum rates.

All authorizations that are entered after February 18, 2006, that have a begin date of February 26th or later will use the new income ranges to determine the family co-pay. However, if the begin date of authorizations created after the authorization mass change is February 19th or earlier, the period of time for the retro authorization will use 2005 FPL income ranges and co-payment amounts to calculate the authorization amount.

All authorizations that are entered after February 18, 2006, that have a begin date of February 19<sup>th</sup> or earlier will trigger an error message. The error message will force the worker to enter two authorizations; one authorization must be entered for February 26<sup>th</sup> to the end of the authorization and the second authorization for the begin date of the authorization to February 25<sup>th</sup>. This is so authorizations that span February 26<sup>th</sup> will use the correct 2006 maximum rate. The error message is: <AUTHORIZATION PERIOD CANNOT SPAN 2/25/06. PLEASE CHANGE END DATE TO 2/25/06 AND CREATE NEW AUTHORIZATION FROM 2/26/06>.

<p><b>Example:</b> A worker enters an authorization on February 20<sup>th</sup> for 1/1/06 to 7/1/06. The worker will receive an alert to enter two authorizations. The worker would need to enter the authorizations for the following dates: 1/1/06 to 2/25/06 and 2/26/06 to 7/1/06.</p>
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### FAMILY AND PROVIDER NOTICES

All child care cases will go through the eligibility mass change, but ongoing approval notices (AEAX) will not be generated for child care cases that were open in February. These notices are not generated because the eligibility status of the family has not changed.

Family authorization notices will be mailed on February 20th to all families with children that have current and future authorizations where the rate has changed for an authorization period. This will be the same notice format that families currently receive when an authorization amount changes due to the authorization recalculation done each Saturday.

Provider mass change notices will also be mailed on February 20th. The mass change notice will display the language for the rate change – even though the mass change ran for both the new family co-pays and new maximum rates. This format lists all children who are authorized

to that provider location. When there is no change in the provider payment rate an asterisk will appear next to the child's name. An explanation that the asterisk indicates no payment rate change will be displayed at the bottom of this notice. These notices to providers will not display on the provider's notice history (CNHS), instead they can be viewed as an EOS report. The report name and number is CC Annual Rate Change Report to Providers CN07 (displays each provider notice) and CC Annual Payment Rate Change Summary CN08 (lists providers who received the notice).

## **CARES**

The CARES income limit tables (TWWS, TCCS) used to determine W-2 and Child Care eligibility will be updated with an effective date of February 1, 2006. The CARES Child Care income range table (TCFP) and the Child Care co-pay table (TCCP) used to determine the family co-pay for child care authorizations will be updated with an effective date of February 26, 2006.

## **CONTACTS**

BHCE CARES Information & Problem Resolution Center

★Program Categories – FS – FoodShare, MA – Medicaid, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – Food Stamp Employment and Training, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WIA – Workforce Investment Act, Other EP – Other Employment Programs.